

(ii) Treasury bills or other obligations of the United Kingdom or the United States of America having a maturity not exceeding three months from the date of acquisition by the Bank;

(iii) Bills of exchange having a maturity not exceeding three months from the date of acquisition by the Bank payable in London or New York or in a country whose currency by law and in fact is convertible on demand at a fixed price into exportable gold.

and any liabilities of the Bank payable in the currency of the United Kingdom, the United States of America, or any foreign country, whose currency is by law and in fact convertible on demand at a fixed price into exportable gold.

(3) At the request in writing of the Board, the Governor in Council may suspend the operation of this section insofar as it requires the Bank to maintain a reserve of gold to the amount of twenty-five per centum of its notes and liabilities. Such suspension shall be for such period not exceeding sixty days as may be specified by the Governor in Council, but on the further request in writing of the Board may be extended from time to time for further periods not exceeding sixty days each, provided, however, that no such suspension shall continue for a period longer than one year without the sanction of Parliament.

(4) The Bank shall during the years 1935, 1936 and 1937 purchase and hold newly-mined Canadian silver as and when required so to do by the Minister but the Bank shall never be required to purchase more than 1,571,803 one ounce in any year.

RESERVE OF CHARTERED BANKS

24. (1) Every chartered bank shall on and after the day when the Bank is authorized to commence business, maintain deposits with the bank which shall always be equal to five per centum of its deposit liabilities within Canada.

(2) If any chartered bank knowingly makes default in complying with the requirements of the preceding subsection, it shall be liable to a penalty at the rate of ten per centum per annum of the amount of deficiency for each day on which there is a deficiency in the amount of the deposit maintained by it with the bank, and such penalty shall be payable to the Bank and recoverable by it by civil action.

(3) For the purpose of this section the Bank may authorize the Inspector General of Banks or one of its own officers to make an inspection of the books, accounts and documents of any chartered bank, and the chartered bank shall give the Inspector General or such other officer the books, accounts and documents of the bank for such purpose, and if the Inspector General or officer is obstructed

Foreign
Exchange
Reserve

Foreign
Exchange
Reserve

Inspection

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